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State of South Carolina

State Ethics Commission

GARY R. BAKER
EXECUTIVE DIRECTOR

(803) 758-7408
Room 116, 1026 Sumter Street
P.O. BOX 11627
COLUMBIA, S.C. 29211

NEWSLETTER

MARCH 1980

NO. 80-004

PROGRAM FOR CANDIDATES AND COMMITTEES

On Friday evening, March 28, 1980 from 8-10 p.m., the State Ethics Commission in conjunction with the State Election Commission will provide a program for candidates. The program will be broadcast on closed-circuit ETV to each of the sixteen regional TEC centers. The program will involve discussion of the filing requirements by candidates in completing the Statement of Economic Interests and the Campaign Disclosure Form. Election campaign procedures will also be discussed. The sites for the program are:

- AIKEN TEC - AUDITORIUM
- BEAUFORT TEC - LOWER LEVEL-LRC
- CHESTERFIELD-MARLBORO TEC - INGRAM HALL RM. 126
- FLORENCE-DARLINGTON TEC - BLDG. 100 FACULTY LNG.
- GREENVILLE TEC - TEC BLDG. 116
- HORRY-GEORGETOWN TEC - BLDG. 1-52
- MIDLANDS TEC BELTLINE - CR-142
- ORANGEBURG-CALHOUN TEC - LECTURE RM. 118
- PIEDMONT TEC - AUDITORIUM
- SPARTANBURG TEC - E-25
- SUMTER TEC - LECTURE RM. 102
- TRI-COUNTY TEC - PICKENS BLDG. RM. 109
- TRIDENT TEC - BLDG. 100, RM. 169
- WILLIAMSBURG TEC - AUDITORIUM
- YORK TEC - #C-118 BLDG. w/o PORCH
- DENMARK TEC - BLDG. 200, RM. 101

Talkback facilities are available to enable questions to be asked and answered.

Forms will be available at each location.

STATEMENT OF ECONOMIC INTERESTS DUE APRIL 15

All elected officials, regardless of compensation, and those public employees and appointed officials with annual compensation of \$20,000 or more are reminded to file the Statement of Economic Interests by April 15. The Statement of Economic Interests is a disclosure of business transactions, real estate holdings which could conflict with the person's public position, and lobbyist transactions. The State Ethics Act requires such disclosures to be filed annually prior to April 15.

Failure to file the statement on time can result in administrative or disciplinary action or fines and imprisonment.

Copies of the forms may be obtained from the chief agency administrator, county Clerks of Court, and the State Ethics Commission

CANDIDATES ARE REMINDED OF FILING DEADLINES

Candidates are reminded that a Statement of Economic Interests must be filed within twenty days after becoming a candidate. If you are an elected official who is running for re-election, your Statement of Economic Interests must be filed with the proper office either within twenty days after filing as a candidate or prior to April 15, whichever comes sooner.

If a Statement of Economic Interests has been filed earlier during the same calendar year, a second filing is not required.

CAMPAIGN DISCLOSURES REQUIRED

Within thirty days after each election, each candidate and any committees receiving or soliciting funds to support candidates, are required to file a Campaign Disclosure Form. Also, if the candidate, whether successful or not continues to collect funds or make expenditures for that election, an update is required no later than the tenth day after the end of each calendar quarter in which such collections or expenditures took place.

The Campaign Disclosure Form requires disclosure of all campaign finances with itemization required of all contributions of more than \$100 and all expenditures, regardless of amount.

The forms are filed with the appropriate supervisory office. Copies may be obtained from the County Clerk of Court's office, or the appropriate supervisory office.

CAMPAIGN DISCLOSURE MANUALS AVAILABLE

The State Ethics Commission recently published a Campaign Disclosure Manual for use by candidates or groups. The manual explains the proper procedures for filing and includes a sample record-keeping system. Copies of the manual are available from the Commission office.

NEW AMENDMENTS INTRODUCED

The Senate and House Ethics Committees have introduced bills to eliminate the \$20,000 reporting threshold for filing of the Statement of Economic Interests. Any appointed official or public employee with annual compensation of \$20,000 or more is presently required to annually file a Statement of Economic Interests. Under the amendments proposed by the State Ethics Commission, and introduced by the legislative committees the reporting threshold would be replaced by a list of positions in State and local agencies which would be required to file.

The proposed amendment provides for filing by all State agency heads and their deputies, county administrators, city managers, and the chief administrator of all political subdivisions.

The chief purchasing official, and finance official in each State or local agency would also be required to file. Also included are all school board and county board of education members, and all school superintendents.

The proposal is intended to lessen the reporting requirements by reducing the number of persons required to file from approximately 20,000 this year to approximately 8,000 next year, the anticipated effective date of the change being January 1, 1981.

All elected officials and candidates for publicly-elected office would still be required to file the Statement of Economic Interests.

The Senate and House Ethics Committees also introduced bills requiring candidates to file the Statement of Economic Interests at the time of becoming a candidate, instead of within twenty days after becoming a candidate. The House Ethics Committee introduced a bill increasing the membership of the State Ethics Commission from six to seven members.

VOTING AND ACTION CONFLICTS

Many public officials and employees are confronted at times with voting on matters or taking action on matters in which they have a financial interest. Section 8-13-460 provides for those actions which these persons must take when they are involved in a potential conflict of interests. The conflict exists when the official or employee is required to take some action or make some decision which will substantially affect directly his personal financial interests, those of a member of his household, or a business with which he is associated.

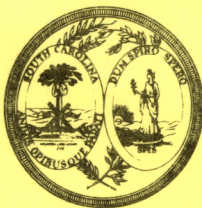
A member of the household is the person, his or her spouse, and any children occupying the same family residence. A business association is one in which that person or a member of his household is an officer, owner, director, employee, or stockholder with stock valued at more than \$10,000 or any business which is a client of the person.

In past advisory opinions, the State Ethics Commission has advised that potential conflicts include, but are not limited to,

salary increases, personnel actions,
and purchasing decisions.

In those instances where the official
or employee has a potential conflict,
section 8-13-460 requires that a
written statement be provided to the
person's superior. When the person
is a member of the governing body,
the Commission had advised that the
statement be provided to the presiding
official (i.e., mayor, or council
chairman). If the person involved is
an employee, his supervisor will assign
the matter to another person who does not
have a conflict. If the person is a
public official, he is to abstain from
participation in votes, deliberations, or
discussions on the matter.

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DIGEST OF ADVISORY OPINIONS

MARCH 19, 1980

NO. 17

80-037

February 12, 1980

SUBJECT: WILDLIFE DEPARTMENT EMPLOYEE SERVING ON ADVISORY BOARD

The Watercraft Registration and Titling Supervisor of the Wildlife Department may accept an honorary membership in the S. C. Marine Dealers Association to serve in an advisory capacity. If the advisory status is part of his position responsibilities, there does not appear to be a conflict. If the service is not within the employee's position responsibilities, such service is done in an individual capacity and must be consistent with outside business interest guidelines.

80-039

February 12, 1980

SUBJECT: ARTS COMMISSIONER BIDDING ON CONTRACT

An Arts Commissioner may compete for a contract to provide musical and lyrical arrangements for Stage South production provided normal contract award processes are followed. The Commissioner may not become involved in deliberations, votes, or decisions on the contract award nor may he use his influence to obtain favorable treatment.

80-040

February 12, 1980

SUBJECT: CONSULTING WORK BY COUNTY EMPLOYEE

A county appraiser may provide consultative services to other jurisdictions concerning reappraisal programs consistent with the guidelines for outside business interests. There does not appear to be a conflict with the appraiser recommending a business firm to provide services to other jurisdictions while such firm has a contract to provide services to his office, subject to his approval.

80-041

February 12, 1980

SUBJECT: COUNTY COUNCILMEN WITH POTENTIAL VOTING CONFLICTS

A county councilman whose spouse works for the county Public Works Department was advised not to participate in discussions, votes, or deliberations on salary increases for county employees. Another county councilman whose son serves as principal of a high school in the county was not prohibited from participating in votes on the district school budget since his son was an independent person, not occupying the same family residence. Nor was a county councilman whose son is employed by the Solicitor's Office prohibited from voting on budget matters involving that office since his son is also an independent person, not occupying the same family residence.

80-042

February 12, 1980

SUBJECT: RECEIPT OF GIFT BY NURSING HOME BOARD MEMBERS

A \$100 gift voted by Nursing Home Board Members appears to violate §8-13-430 which prohibits public officials from receiving additional money for performing their position responsibilities. The Commission noted that the gifts had been returned.

80-043

February 12, 1980

SUBJECT: OFF-DUTY POLICE OFFICERS PROMOTING EVENT WHERE BEER SOLD

It does not appear to violate the State Ethics Act for off-duty police officers to hire entertainment groups to perform at a center where beer will be sold provided that such involvement is within guidelines of the local police department. The police officers would not benefit from the sale of beer.

80-044

March 18, 1980

SUBJECT: HEALTH CLUB MEMBERSHIP FOR LAW ENFORCEMENT PERSONNEL

The Lexington County Sheriff's Department was advised not to accept an offer of free membership, amounting to \$50 annually, from a health club since the fee was of greater than nominal value and the acceptance of the offer had the appearance of impropriety.

80-046

March 18, 1980

SUBJECT: MEMBERS OF AUCTIONEERS' COMMISSION TEACHING AT AUCTIONEERS' SCHOOL

Members of the S. C. Auctioneers' Commission were advised against teaching at a private auctioneers' school since the curriculum would be required to be approved by that commission.

80-047

March 18, 1980

SUBJECT: FORMER EMPLOYEES ENTERING CONSULTING AGREEMENTS WITH CONTRACTORS

Former employees of the CETA Division of the Governor's Office may engage in business with individuals or agencies with whom they were in contact as public employees. The employees were advised against involving themselves in contested matters in which they took part while public employees. The employees were further advised against using their public position to set themselves up to be the recipients of contracts after their terminations from the CETA office. They were further advised against using their official position to obtain financial gain and utilizing confidential information.

80-048

March 18, 1980

SUBJECT: BUSINESS ACTIVITIES OF DEVELOPMENT BOARD DIRECTOR

The Commission advised a full-time Development Board Director against utilizing inside information from his public position to establish a business operation to provide services to businesses with whom he is involved professionally. The Commission also advised against utilizing a public vehicle, telephone, office space, and public time to perform outside business activities from which the employee will gain financially.

80-049

March 18, 1980

SUBJECT: SCHOOL TRUSTEE- EMPLOYER CONDUCTING BUSINESS WITH SCHOOL DISTRICT

The State Ethics Act provides that a public official may conduct business with public agencies, including his own, provided that no confidential information is utilized, that the public notice and competitive bidding process is utilized, and that the disclosure and disqualification procedure of §8-13-460 is utilized. The Commission advised that a legal opinion be obtained concerning the provisions of §59-69-260 which prohibits a school trustee from having a direct interest in any contracts with the school district.

80-050

March 18, 1980

SUBJECT: COUNTY ATTORNEY SERVING AS MAGISTRATE

The State Ethics Act does not prohibit an employed county attorney from also serving as an appointed magistrate. The individual was advised that the disclosure and disqualification procedures of §8-13-460 should be followed on matters of potential conflict which might arise out of his official activities as magistrate or county attorney.
